

BLUE RIBBON TASK FORCE ON THE MERIT SYSTEM
MEETING
AUGUST 8, 2005 – 9:00 A.M.

MINUTES

Members Present:

Secretary Erwin Roberts – Chairman	Senator R.J. Palmer, II
Secretary LaJuana Wilcher	Senator Dan Kelly
Representative Michael Cherry	Representative Jeff Hoover
Juan G. Rodriquez	Todd Hollenbach, IV
Karen Neeley	Sarah Hall
Tim Coleman	Vickie Yates Brown
Fontaine Banks, Jr.	Joy Moore
Jack Smith, Jr.	Barbara Jane Moores
William Lear	Laura Babbage
Attorney General Greg Stumbo	

Members Absent:

John Y. Brown, III

Also Present:

Deputy Secretary Bob Wilson
Commissioner Wayne Harman
Carla Hawkins
Tom Chase
Members of the Media

The second meeting of the Blue Ribbon Task Force on the Merit System was called to order by Chairman Erwin Roberts at 9:15 a.m. on August 8, 2005 in Room 149, Capitol Annex, and Frankfort, Kentucky.

Chairman Roberts then asked for the roll call. During roll call, the following members were noted as absent: Attorney General Greg Stumbo, John Y. Brown, III, and Bill Lear.

Chairman Roberts then thanked all the members for their presence and asked for a motion to approve the minutes of the July 28, 2005 meeting of the Blue Ribbon Task Force on the Merit System. A motion to approve the minutes was made by Representative Hoover and seconded by Representative Cherry. All members voted in favor of the motion to approve the minutes of the July 28, 2005 meeting of the Blue Ribbon Task Force and the minutes were approved.

Chairman Roberts then briefly discussed the Governor's charges for the Task Force.

Chairman Roberts then introduced Deputy Secretary Bob Wilson, Commissioner Wayne Harman, and Carla Hawkins who would be presenting to the Task Force. Chairman Roberts then requested each to give a brief introduction of themselves.

Deputy Secretary Bob Wilson then shared a brief background of his professional experience.

Attorney General Greg Stumbo arrived.

Deputy Secretary Wilson then began his presentation by sharing a historical perspective of the merit system. Deputy Secretary Wilson presented an overview of human resources, including systems and processes for collecting information about jobs which form the basis for job descriptions, form the basis for developing employment tests or using employment tests, and incorporating compliance. Deputy Secretary Wilson's presentation also indicated the need for internal and external demographic trends and develop systems to insure that the organization is leveraging diversity as a competitive advantage. Secretary Wilson's discussion also included information regarding the need for agencies to have systems for evaluating employee performance, providing employee feedback, rewarding employees for meeting or exceeding performance expectations, and for providing employees further training.

Deputy Secretary Wilson's presentation then turned to identifying best practices in HR. Deputy Secretary Wilson stated that the State of Kentucky's HR system is founded on the HAY system and then discussed the HAY point factor system, which is based on knowledge, skills and abilities of a job.

Chairman Roberts then advised the Task Force members that a copy of the 1996 Hay report was included in each member's materials, and asked Deputy Secretary Wilson to give a synopsis of the issues addressed in the Hay report.

Deputy Secretary Wilson then discussed the Hay report and indicated that the report looked at the pay system, provided market comparisons, and looked at all the classifications to see if there were possibilities for combinations, elimination or abolishing of some of the classifications.

Chairman Roberts then asked Deputy Secretary Wilson to briefly describe how the 1,400 classifications work as far as particular agencies, whether the agencies own those classifications or if different agencies can use them.

Deputy Secretary Wilson then advised the Task Force that there are some classifications that are owned by an agency, such as the benefits coordinator position, for which another agency would have to gain permission to use this position.

Deputy Secretary Wilson then began to discuss the selection process.

Mr. Bill Lear arrived.

Deputy Secretary Wilson then discussed different types of selection processes including behavioral based interviewing, employment tests, and background investigations. Deputy Secretary Wilson then stated that the Commonwealth pre-qualifies its applicants and stated that at this time there is no standardized process for determining who gets selected from a register for interview. Deputy Secretary Wilson further indicated that there is also no standardized method for making the hiring selection.

The discussion then turned to the methodologies surrounding the selection process.

The discussion then turned to how an individual gets from the register to an interview to being hired. Deputy Secretary Wilson indicated that the Personnel Cabinet certifies the register and sends it out to the requesting agency. Once the register is sent to the agency, some agencies will pull the applications and decide whom to interview.

The discussion then turned to how many candidates are required to be interviewed before a selection is made. Deputy Secretary Wilson indicated that one interview would have to be conducted.

The discussion then turned to the Commonwealth's compliance with the federal affirmative action plan.

The discussion then turned to rewarding employees for meeting or exceeding performance expectations.

The discussion then turned to problem resolution processes to provide due process and expeditiously resolve employee complaints and grievances.

The discussion then turned to the utilization of new technologies that will enable the employee to have more control over their own information through self-service technology, such as online enrollment in benefits.

The discussion then turned to the issue of whether the current tests are related to the jobs.

The discussion then turned to changes that resulted from Governor Jones' 1993 report.

The discussion then turned to when the Commonwealth's affirmative action plan was last updated. The discussion indicated that it was looked at in 1996 or 1997 but it is

unclear whether it was ever implemented, however, there is a current update that is ready to be presented to the Governor.

The discussion then turned to what effect internal mobility has upon recruitment of minorities and women.

Deputy Secretary Wilson's presentation concluded and Chairman Roberts called for a recess.

After the recess, Chairman Roberts introduced Commissioner Wayne Harman and Carla Hawkins.

Commissioner Harman indicated that he had been tasked to evaluate systems and processes, and make suggestions on what is being done correctly and what we could do better.

Commissioner Harman then discussed the current problem of having different data areas that make up the current HR system. As software and base systems change, the custom programs must be fixed to bring them up to current needs.

The discussion then turned to the numbers of applicants, the number of applicants who qualify, the number of registers, and the number of job classifications. In addition, once the applications are scanned into the system they are not searchable, which means that if you were looking for a Cobol programmer you could not run a query to find one. You can search a name or address but not for the specifics in the application.

The discussion then turned to the classifications.

The discussion then turned to registers.

The discussion then turned to the idea of hiring an outside company to be a buffer, to accept applications, to process them and to give an agency a group of applicants.

The discussion then turned to updating classifications.

The discussion then turned to the applicant waiting area and applicant process. Currently the system allows individuals to get on a register for a job that may never open. Sixty percent of the registers are for positions that are not vacant.

The discussion then turned to changing the time frame of a posting from ten days to ten business days.

The discussion then turned to a web based system that allows 7 days a week 24 hours a day access to the process, with searchable data. The system would allow applicant self-service where applicants can enter the system and be placed on a job register. The applicant can access their application and revise their application; they can

change counties as many times as they want. The new system will also allow e-mail notifications of job openings.

The discussion then turned to testing and how current tests were developed and taken. Additionally, the discussion turned to solutions to the current testing issues, such as immediate scoring in remote locations.

The discussion then turned to the new HRIS, Human Resource Information System. Commissioner Harman explained that the HRIS will handle payroll management, benefits administration, human resources, employee self-service, Workers' Comp, work force planning, and time and attendance.

The discussion then turned to why problems and inefficiencies exist in the personnel system. It was explained that each agency has its own system of reporting. Because most of the agencies have a core mission that is not HR; these agencies funnel their money toward their core missions. Most of the problems identified will be addressed by the \$25 million HRIS improvement.

The discussion then turned back to the self-service piece of the new system. This Fall, web enrollment for benefits will be offered, which will allow employees to enroll from home, or on the weekends or whenever they want. The new system will allow management self-service and employee self-service. Employees can change things such as address, benefits, and dependents.

The discussion then turned to reporting. Using the current system, reports have to be done manually. In some systems, if someone left employment the organizational chart would be updated and printed automatically. Most new systems have drag and drop boxes that aid in building a report as you go.

The discussion then turned to outsourcing human resources.

The discussion then turned to how the new system would provide significant decreases in manual processes, expanded, enhanced self-service options, and user-friendly reporting tools. The new system also would allow interactive phone systems where a person could enter time, look at benefits, and hear leave balances.

The discussion then turned to how applicants currently get on registers and how that would be different under a new system.

The discussion then turned to test questions.

Chairman Roberts then thanked Commissioner Harman for his presentation and introduced Tom Chase of Select International.

Mr. Chase then gave a presentation on selection methodology. Mr. Chase's presentation showed that selections should be efficient, accurate and fair.

The discussion then turned to ensuring that if a person is hired that they meet certain skills. Mr. Chase stated the process should be competency driven, that the candidate actually demonstrates by a battery of tests and assessments and psychological interviews that they can actually meet the job requirements. Mr. Chase stated that the testing methods should actually have something to do with the position that is being tested.

The discussion then turned to fairness and competency in hiring. You must have a describable process that is measurable, where there is a way to gauge through the selection process if somebody has the ability to do the job or related job experience.

The discussion then turned to providing a candidate with a realistic job preview. Once a person sees what the job actually is then some candidates will not want the job, which is a good thing, because there will not be a lot of time invested in screening them later on or hiring and training them only to discover they're not going to fit.

The discussion then turned to the assessment phase of hiring or testing which can be done online with technology, and can be scored in real time, where there's no labor involved in administering the test.

The discussion then turned to conducting behavioral interviews. This is done by taking the same competency platform that is established as critical for the job and creating interviews that are behavioral based upon how they perform. If they were confronted with a situation how would they react? For instance, a candidate being considered for a position working with the public, "tell me a time when you've had to deal with somebody, a customer or friend or colleague or school mate that was really upset and angry about something that you had to deal with, tell me about that situation."

Chairman Roberts then recessed for lunch and requested all members to return at 1:15 p.m.

After the recess, Chairman Roberts then opened the discussion of how best to get employee input. The group then discussed the following options: public meetings, e-mails, and state employee surveys.

The discussion then turned to requesting Carol Palmore, Mark Guifoyle and Mark Dampier to speak to the task force or in the alternative inviting each to provide a one or two page synopsis of their key thoughts regarding the merit system.

The discussion then turned to the date for the next meeting. After some discussion the group decided on August 29, 2005.

The discussion then turned to looking at other states that have reworked their systems.

The discussion then turned to the request for the statistical report of the party affiliation of state employees.

Chairman Roberts then brought the task force members' attention back to the Governor's charges.

There being no further discussion, Chairman Roberts adjourned the meeting. Upon adjournment each of the sub-committees reconvened separately.